Service Quality in Malaysian Public Organizations

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Abstract: Service quality is important in public sector due to the new public management policy which needs public organizations to compete among themselves. Given the limited budgets, service quality is the answer to the effectiveness and efficiency problems. Therefore, this study is conducted in Malaysian public service where the external customers are the best assessors. Using convenience sampling technique, 3,000 copies of SERVQUAL instrument were distributed to 300 public organizations located throughout Malaysia. About 992 useable questionnaires were collected. From the validity test, it shows that there are three dimensions of service quality found in the Malaysian public organizations which are service provisions, tangible and empathy. The overall service quality is quite good and tangible is the most important dimension. However, due to the expectation disconfirmation paradigm or theory used, customers’ expectations exceed their perceptions. Therefore, they are not satisfied with the services provided by these organizations especially in tangible dimension. However, majority of the respondents do not complain either to the Public Complaint Bureau or to the other public agencies. In line with Ndubisi & Tam (2005)’s findings, consumers who choose to complain are found to be relatively younger, receive higher income and are more educated.

Keywords: Service Quality, SERVQUAL, Satisfaction, Public Service, Malaysia

Introduction

At the moment, there are quite a high number of complaints filed by the public due to delays in taking actions and providing services to them by the Malaysian public organizations (Public Complaint Bureau (PCB), 1999-2006). Headlines of some main newspapers also highlighted complaints from the public regarding their dissatisfaction with the provided services (Berita Harian, 2003-2004). Consequently, service quality is not as expected by the customers and therefore; it is quite low. This matter is a concern of the public since they are the taxpayers. As a result; they expect good services are provided to them as the return (Abdullah, 2006).

Thus, this study was carried out in Malaysian public service as it provides diverse range of services to the external customers due to its responsibilities as the regulator and the authority (Brylsland & Curry, 2001). Service quality is an important dimension of organizational performance in the public sector as the main output of public organizations is services (Hope, 2003). Moreover, profit is not the ultimate goal of these public organizations (Harel & Tzafrir, 2001) as they have to play different roles such as facilitator, pace setter and socio-economical developer (Arawati, Baker & Kandampully, 2007). Furthermore, there are quite few studies that used SERVQUAL as the instrument to measure service quality in the public sector from the external customers’ perspective (Aliah & Tarmize, 1998; Crompton & Mackay, 1989; Donnelly, Wisniewski, Dalrymple & Curry, 1995; Donnelly & Shiu, 1999; Orwig, Pearson & Cochran, 1997; Scott & Shieff, 1993; Sharifuddin, 1998/1999, 1999a, 1999b; Wisniewski, 2001a; 2001b; Wisniewski & Donnelly, 1996).

Hence, this study is carried out in order to identify the most important service quality dimension as it seems that responsiveness is the most important dimension. This is because delay in taking actions and providing services to customers are of the responsiveness dimension. The study also tries to examine the level of service quality as assessed by the external customers towards services provided by the Malaysian public organizations.

Service Quality

Perceived service quality is a subjective performance whereby it is determined via the customer survey (Harel and Tzafrir, 2001). External customers are the most suitable source of information on service quality (Parasuraman, Zeithmal & Berry, 1988; Donnelly et al., 1995) as they are the recipients of the services provided by the public organizations. Internal customers or the providers might feel that they have done their best to serve the customers, therefore; they failed to notice the decline of service quality. The decline of service quality is indicated by the customers’ complaints as they are the proxy to the service quality or indicator or symptom to service quality (Stafford, Stafford & Wells, 1998; Kouzmin, Loeffer, Klages & Nada, 1999). It is found out that customers who choose to complain are to be